

**ADDENDUM TO
ANNEX 1
TO THE MEMORANDUM OF AGREEMENT
BETWEEN
THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA
AND
THE INTERNATIONAL SCIENCE AND TECHNOLOGY CENTER
IN THE RUSSIAN FEDERATION
CONCERNING
COOPERATION IN APPROVED PROJECTS TO FACILITATE
THE NONPROLIFERATION OF WEAPONS AND WEAPONS EXPERTISE
FOR THE FULL COMMISSIONING OF THE GLOBUS-M INSTALLATION AND
COLLABORATIVE FUSION RESEARCH WITH NSTX
(ISTC PROJECT #159.4)**

The Department of Energy of the United States of America ("DOE") and the International Science and Technology Center in the Russian Federation ("ISTC") (hereinafter referred to as the "Parties"),

Considering that the A.F. Ioffe Physico-Technical Institute, St. Petersburg, Russia (hereinafter referred to as "the Institute") is ready to enter into agreement with the ISTC for execution of the concluding stage of the GLOBUS-M Project entitled "Full Commissioning of the GLOBUS-M Installation and Collaborative Fusion Research with NSTX" (hereinafter referred to as the "Task"), and that the DOE is willing to sponsor the Task through the ISTC based on Annex 1 to the Memorandum of Agreement (MOA) of June 16, 1995, between the DOE and ISTC,


Have agreed as follows:

- 1 The DOE will fund the Task for Project Agreement 159.4 through the ISTC for the amount not to exceed \$80,000 (eighty thousand US dollars).
- 2 The DOE will pay the ISTC within thirty (30) calendar days after receipt of an invoice from the ISTC. The payment shall be made to the following bank account of the ISTC:
Bankers Trust Company
280 Park Avenue, New York, NY
CHIPS No. = 103
SWIFT No. = BKTRUS33
ISTC Account No 04-838-2 14
ABA 021001033
- 3 In the event that the Project Agreement #159.4 is not executed and/or the Task does **not** start for whatever reason within a reasonable time frame after payment by the DOE of the said amount, the ISTC will reimburse the full amount to the DOE as soon as possible after receipt of notice from DOE to this effect.
- 4 The Task is estimated to be completed in twelve months after signing of this Project Agreement #159.4. The effective period of Annex 1 to the Memorandum of Agreement between the DOE and ISTC shall be extended until both Parties have fulfilled their obligations arising from this Addendum.

5. Other terms and conditions of Annex I to the Memorandum of Agreement not amended by this Addendum shall remain in force

Done in Washington, DC and Moscow, in duplicate, in the English language.

FOR THE DEPARTMENT OF ENERGY
OF THE UNITED STATES
OF AMERICA



DATE: July 21, 1999

FOR THE INTERNATIONAL
SCIENCE AND TECHNOLOGY
CENTER


Norihiko YOKOYAMA
Chief Project Agreement Officer

DATE: June 14, 1999

ANNEX I
TO THE MEMORANDUM OF AGREEMENT
BETWEEN
THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA
AND
THE INTERNATIONAL SCIENCE AND TECHNOLOGY CENTER
IN THE RUSSIAN FEDERATION
CONCERNING
COOPERATION IN APPROVED PROJECTS TO FACILITATE
THE NONPROLIFERATION OF WEAPONS AND WEAPONS EXPERTISE
FOR THE GLOBUS-M PROJECT

The Department of Energy of the United States of America (DOE) and the International Science and Technology Center in the Russian Federation (ISTC) (hereinafter referred to as the "Parties"),

Having signed the Memorandum of Agreement Between the Department of Energy and the International Science and Technology Center in the Russian Federation For Cooperation in Approved Projects to Facilitate the Nonproliferation of Weapons and Weapons Expertise (hereinafter referred to as the "MoA"),

Desiring to cooperate in the completion of the ISTC Project, Globus M, of the A.F. IOFFE Physico-Technical Institute, the Northern Plant, Efremov Institute, and TRINITY Institute (hereinafter collectively referred to as "IOFFE"), which was authorized by the ISTC Governing Board as a Center Project, and

Believing that it would be mutually beneficial for the DOE to enhance its current successful collaborative fusion research activities with the IOFFE Physico-Technical Institute, which are part of DOE's on-going cooperation with the Ministry of Atomic Power of the Russian Federation,

Have agreed as follows:

Article 1

1. The purpose of this Annex is to establish the procedures under which the the Parties will:

a. cooperate to support IOFFE in the completion of the GLOBUS-M Project by participating in the modification (or reconstruction) of the experimental hall of the A.F. IOFFE Physico-Technical Institute in order to accommodate the new GLOBUS-M spherical tokamak device and the near-by supporting equipment, the buildings that house all the other device supporting systems, and the connections and conduits between the experimental hall and those buildings needed by the GLOBUS-M project; and

b. seek a basis for future cooperation with IOFFE so as to permit DOE to participate in subsequent research activities utilizing the GLOBUS-M device.

2. This Annex is subject to the MoA concluded between the DOE and the ISTC on *16 June*, 1995.

Article 2

Cooperative activities undertaken by the Parties pursuant to this Annex may include the following:

- A. Establishment of appropriate working groups for planning and execution of joint studies and tasks;
- B. Organization of, and participation in, seminars and other meetings on specific topics related to the utilization of the GLOBUS-M device;
- C. Facilitation of subsequent research activities with IOFFE which will permit the exchange between DOE and IOFFE of scientists, engineers, and other specialists for participation in agreed research, development, analysis, design, and experimental activities, and the exchange of scientific and technical information, and results and methods of research and development; and
- D. Facilitation of joint theoretical, experimental, developmental, demonstration, and design work by technical personnel from DOE and IOFFE related to the utilization of the GLOBUS-M device.

Article 3

1. Each Party shall designate a Project Leader to implement the cooperation supporting the completion of the GLOBUS-M project. The Project Leaders, acting in coordination with the IOFFE, shall develop, or shall cause IOFFE to develop, a written project plan which shall take fully into consideration the provisions specified in Article X, paragraph B, of the ISTC Statute. In addition, the project plan shall specify in detail the cooperative work to be performed, the specific program of cooperation, and the schedule of funds transfers between DOE and the ISTC and between the ISTC and the IOFFE.
2. The Project Leaders further shall consult with IOFFE for the purpose of facilitating future cooperation between DOE and IOFFE in order to permit DOE participation in the subsequent IOFFE research activities utilizing the GLOBUS-M device.

Article 4

1. DOE will contribute to the ISTC U.S. \$200,000, in accordance with the schedule of funds transfers set forth in the project plan, to modify the IOFFE experimental hall in order to accommodate the new GLOBUS-M spherical tokamak device. The DOE contribution of U.S. \$200,000 shall be paid in U.S. dollars to an ISTC account at the Bankers Trust Company, New York, Account Number 04-8388-214, by telegraphic transfer remittance.
2. The funds contributed by the DOE to the ISTC shall be subject to the terms of the MoA and the ISTC Agreement and Statute.
3. DOE may transfer funds to the designated ISTC account prior to the schedule

of funds transfers set forth in the project plan. In such cases, the ISTC shall hold and maintain such funds in its account at the Bankers Trust Company, New York, until such time as the ISTC is required to make payment to the IOFFE in accordance with the project plan. The ISTC shall not use or otherwise dispose of such funds for any purpose other than those authorized under the MoA, this Annex, and the project plan.

4. In the event that the GLOBUS-M project is terminated and the DOE contributions to the project have not been fully disbursed, the ISTC shall inform the DOE of the amount of funds remaining. Any such remaining funds shall be returned to DOE, unless DOE notifies the ISTC in writing that the funds should be retained in an ISTC account and used to reduce the United States share of other projects approved by the Governing Board. The ISTC shall return such funds within thirty days of notifying DOE of the amount of funds remaining.

Article 5

1. The ISTC shall, in respect of legal proceedings and claims, hold harmless and bring no legal proceedings against the DOE or its personnel for any actions undertaken pursuant to this Annex, and the ISTC shall ensure that the DOE is not held liable for any aspect of ISTC projects funded by contributions from the United States Government made by the DOE.

2. The ISTC shall ensure that DOE is not liable for any extra charges, such as taxes, fees, and permits in connection with completion of the GLOBUS-M Project.

3. The ISTC shall be responsible for making payments to the IOFFE for the cost of modifying (or reconstructing) the experimental hall of the A.F. IOFFE Physico-Technical Institute in order to accommodate the new GLOBUS-M spherical tokamak device and the near-by supporting equipment, the buildings that house all the other device supporting systems, and the connections and conduits between the experimental hall and those buildings needed by the GLOBUS-M project.

4. The ISTC shall assist DOE in making arrangements for future cooperation with IOFFE in research activities utilizing the GLOBUS-M device.

Article 6

ISTC financial reports on the expenditure of funds transferred by DOE to the ISTC will be provided to the DOE on a quarterly basis. The DOE reserves the right to request additional information or specialized reports concerning such expenditures. These requests shall be in writing, be reasonable in nature, and allow at least thirty days for accomplishment. The ISTC shall respond to such requests in an expeditious manner.

Article 7

1. The ISTC shall maintain an accounting system which accurately records, summarizes, and reports its allowable operating costs, DOE contributions for the

funding of the GLOBUS-M project, and the ISTC disbursements, consistent with the terms of the ISTC Statute and project agreements.

2. ISTC billings shall specify the amount of the DOE financing required for the GLOBUS-M project, and shall be supported by the certification of the ISTC Finance Officer.

3. After the disbursement of the DOE project funds, representatives of the DOE shall have the right to conduct audits and to inspect the GLOBUS-M project in accordance with the provisions of the ISTC Statute.

Article 8

Treatment of information and intellectual property created under this Annex shall be in accordance with Annex II of the Model Project Agreement approved by the ISTC Governing Board on September 23, 1994.

Article 9

The ISTC shall ensure that IOFFE shall prepare reports and other deliverables in accordance with the project plan developed by the Project Leaders for the construction (or modification) of the experimental hall. Such reports and other deliverables shall be provided to the ISTC, which shall submit them to the DOE.

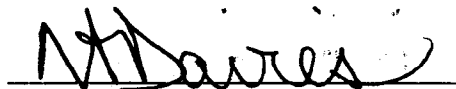
Article 10

1. This Annex shall enter into force upon the date of the last signature and shall remain in force for the duration of the MoA.

2. This Annex may be amended by written agreement of the Parties.

3. Either Party may withdraw from this Annex six months after written notification to the other Party, except that the obligations contained in Articles 5, 6, 7, and 8 of the Annex shall remain in force unless the Parties otherwise agree in writing.

Done at Moscow and Washington, D.C., in duplicate, in the English language, this day of *June 16*, 1995.



FOR THE DEPARTMENT OF ENERGY
OF THE UNITED STATES
OF AMERICA



FOR THE INTERNATIONAL SCIENCE
AND TECHNOLOGY CENTER
IN THE RUSSIAN FEDERATION